

COMMISSION OF FINE ARTS

BUDGET JUSTIFICATIONS, FY 2014

COMMISSION OF FINE ARTS

Budget Justifications Fiscal Year 2014

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COMMISSION OF FINE ARTS

General Statement

The Commission of Fine Arts was established in 1910 (40 U.S.C. 104) to fill the need for a permanent agency whose members would be qualified to make available to the Government expert opinion on questions of art and architecture. The Commission's mission, as design proposals are brought before it, is to safeguard and improve the appearance and symbolic significance of Washington, D.C. as a capital for the benefit of the citizens of the United States, and foreign visitors. Specifically, the Commission provides knowledgeable advice on matters pertaining to architecture, landscape architecture, sculpture, painting, and the decorative arts to all branches and departments of the Federal and District of Columbia governments when such matters affect the National Capital. The Commission also must approve of the site and design of all commemorative works and memorials erected in the District of Columbia.

In addition, the Commission advises on the design of circulating and commemorative coinage and must approve the siting and design for national memorials, both in the United States and on foreign soil, in accordance with the American Battle Monuments Act and the Commemorative Works Act.

The Commission is composed of seven members appointed by the President. They serve without compensation, receiving only actual travel expenses relative to attending meetings. Since the Commission's inception, many distinguished architects, landscape architects, painters, sculptors, planners, and others in the field of fine arts have given freely of their time, experience, and professional skills in advising the President, the Congress, and Government agencies, both local and national, on matters involving the fine arts.

Specific functions as mandated by law require the Commission to:

- Advise executive departments of the Federal Government on any matters of an aesthetic nature, especially those pertaining to architecture and landscape programs that affect the appearance of the national capital city.
- Advise on any matters of an aesthetic nature that may be put forward by committees of the Congress.
- Advise the President and members of the administration on aesthetic matters upon their request.
- Advise on the design of medals, seals, insignia, and circulating and commemorative coinage.
- Approve submissions by the American Battle Monuments Commission on matters pertaining to the location and design of memorials both foreign and domestic.
- Approve submissions under the Commemorative Works Act on matters pertaining to the location and design of memorials in and around the national capital city.

- Advise the Secretary of the Army on matters pertaining to the location and design of memorials and monuments in Arlington National Cemetery.
- Advise the District of Columbia government on all public construction, as well as private construction and the display of advertising in certain areas of the city as designated by Congress under the Shipstead-Luce and Old Georgetown Acts.
- Advise the Department of State through Section 206 of the Foreign Missions Act on foreign chanceries in all areas under the jurisdiction of the Commission, including the International Center.
- Advise the National Capital Planning Commission in the selection of lands suitable for the development of the park, parkway, and playground system of the national capital city.

The Commission has administered the National Capital Arts and Cultural Affairs program since 1988, which was created by the Congress to support nonprofit local cultural institutions whose primary purpose is the presentation, exhibition, or performance of the arts at a professional level of quality in the national capital city.

In addition to those functions mandated by law, the Commission of Fine Arts is required to approve acquisitions as proposed by and for the Freer Gallery of Art in accordance with a codicil to the will of Charles Lang Freer.

Program Summary by Budget Activity

(dollar amounts in thousands)

Appropriation	<i>FY 2012 Enacted</i>	<i>FY 2013 Annualized CR Level *</i>	FY 2014 Request	FY 2014 \$ Change from FY 2012 Enacted	% Change from FY 2012 Enacted
Salaries and Expenses	2,396	2,410	2,406	+10	+0.004
FTE	11	11	11	--	--
National Capital Arts and Cultural Affairs	1,997	2,009	0	-1,997	-100
FTE	--	--	--	--	--

* Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Highlights of the FY 2014 Request

The Commission of Fine Arts requests a Salaries and Expenses appropriation of \$2,406,000 for FY 2014 to finance the expenses of the members of the Commission and the salaries and related costs necessary to support a small staff and maintain an efficient level of operations. This appropriation request represents a 0.004 percent increase of \$10,000 above the FY 2012 Enacted Budget.

In FY 2014, we estimate that the Agency's uncontrollable increases total \$101,000. These uncontrollable increases include: a \$9,000 uncontrollable increase in rental payments to General Services Administration; a \$4,000 increase in security payments to the Department of Homeland Security; a \$25,000 uncontrollable increase in charges for Department of the Interior services including financial management, personnel services, and other support agreements (including charges for the production of financial reports for the annual audit); a \$6,000 increase in Worker Compensation Payments to the Department of Labor; and a net \$57,000 uncontrollable increase for personnel compensation and benefits with the cost-of-living pay raise, which will be offset by a net reduction of \$55,000 in the categories of purchases of goods and services, supplies, materials, equipment, and printing and reproduction. The increase also includes one additional Full-Time employee position for its professional staff to meet the requirements for processing the projects submitted to the Commission for review

No funding is requested for the FY 2014 National Capital Arts and Cultural Affairs Program in FY 2014.

Appropriation Language Sheet

COMMISSION OF FINE ARTS

Salaries and Expenses

For expenses of the Commission of Fine Arts under Chapter 91 of title 40, United States Code, \$2,406,000: Provided, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation. Provided further, that the Commission is authorized to accept gifts, including objects, papers, artwork, drawings and artifacts that pertain to the history and design of the Nation's Capital or the history and activities of the Commission of Fine Arts, for the purpose of artistic display, study or education. (Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.)

COMMISSION OF FINE ARTS
Salaries and Expenses
Uncontrollable and Related Cost Changes
(dollar amounts in thousands)

Additional cost in FY 2014:

	2012 2014
	<u>Enacted</u> <u>Change</u>
Pay raises including a one percent cost of living increase.....	1,199 / +\$57

The amount displayed represents the additional costs of funding estimated pay increases for GS-series employees and the associated pay rate changes made in other pay series.

Other Cost Changes:

	2012 2014
	<u>Enacted</u> <u>Change</u>
Rental Payments to GSA.....	243 / +\$9

The adjustment is for estimated changes in the costs payable to General Services Administration (GSA) resulting from changes in rates for office and non-office space as estimated by GSA.

	2012 2014
	<u>Enacted</u> <u>Change</u>
Security Payments to DHS.....	36 / +\$4

The adjustment is for estimated changes in the costs payable to the Department of Homeland Security resulting from changes in rates for office space and basic building security.

	2012 2014
	<u>Enacted</u> <u>Change</u>
Administrative Support Services – Interior	154 / +\$25

The change reflects expected increases in the charges for Department of the Interior services, including financial management, personnel services, and other support agreements (includes charges for the production of financial reports for the annual audit).

	2012 2014
	<u>Enacted</u> <u>Change</u>
Workers Compensation Payment Costs.....	55 / +6

The change reflects the change in the amount that was charged in FY 2012 and will be reimbursed to the Department of Labor in FY 2014.

TOTAL UNCONTROLLABLE COST CHANGES.....	+\$101
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Justification of Program and Performance

Activity: Salaries and Expenses

	<i>FY 2012</i>	<i>FY 2013</i>	Uncontrollable	Program	FY 2014	Change From
	<i>Enacted</i>	<i>Annualized CR Level*</i>	Changes	Changes	Request	FY 2012
						Enacted
(\$000)	2,396	2,410	+101	+10	2,406	+10
FTE	11	11	0	0	11	0

* Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Authorization: 40 U.S.C. 104.

Program change from FY 2012 Enacted Budget: The Commission of Fine Arts is requesting a Salaries and Expenses appropriation of \$2,406,000 for FY 2014 to finance the expenses of the members of the Commission and the salaries and related costs necessary to support a small staff and maintain an efficient level of operations. This appropriation request represents a 0.004 percent increase of \$10,000 above the FY 2012 Enacted Budget.

For FY 2014, the Agency's uncontrollable increases total \$101,000 and include increases of:

- \$9,000 in rental payments to General Services Administration;
- \$4,000 in security payments to the Department of Homeland Security;
- \$25,000 in charges for Department of the Interior services, including financial management, personnel services, and other support agreements (including charges for the production of financial reports for the annual audit);
- \$6,000 increase in Worker Compensation Payments to the Department of Labor; and
- a net \$57,000 uncontrollable increase for personnel compensation and benefits with the cost-of-living pay raise, offset by a net reduction of \$55,000 in the categories of purchases of goods and services, supplies, materials, equipment, and printing and reproduction.

Most significantly, the Commission is requesting one *additional FTE* for its professional staff. The staff of the Commission of Fine Arts has been operating with ten FTEs; this FY 2014 request includes an additional Full-Time employee position for its professional staff to meet the requirements for processing the projects submitted to the Commission for review. Establishing the new position, at roughly \$105,000 including benefits, will provide the increased level of support needed to continue critical agency programs.

Justification: There are several important reasons for this request for one additional professional FTE position, based on increasing caseload and current standards for agency communication.

1. First, the number of cases submitted to the Commission has increased substantially over the past four years and continues to grow, increasing *more than 29 percent* over the past three years, and *almost 32 percent* since our last project review staff position was added in 2005. To summarize, of the 704 cases reviewed by the Commission in FY 2012:

- *More than half* of these cases are submitted under the Federal **Old Georgetown Act**, a total of 361 cases in FY 2012. From 2010 to 2012, the average monthly caseload submitted under the Old Georgetown Act grew from 28 individual cases to more than 36 per month, with some *months exceeding 50 cases*. In FY 2012, a total of 361 Old Georgetown cases were submitted—74 more cases than FY 2009 levels. This represents a *26 percent increase* in the monthly caseload generated by the Old Georgetown Act in the last three years alone.
- For the period between FY 2009 and FY 2012, the caseload generated by the **Shipstead-Luce Act** for the design review of properties in specific areas of Federal interest, has *increased more than 36 percent*, from 106 cases in FY 2009 to 144 in FY 2012.
- 199 cases of the total 704, or 28 percent, were submitted in FY 2012 as **Federal or District of Columbia** review projects, *an increase of 32 percent*. Of these public-sector submissions in FY 2012, *nearly ten percent* were submissions to review designs related to overseas military cemeteries, military insignia, coins, and medals—i.e. not related to building proposals in Washington, D.C.

The Commission's professional staff of three architects and one architectural historian have been challenged and taxed by this increasing review case load and complexity of the submissions. The current staff is working at capacity and beyond. Each submission requires many hours of staff time as the cases are received, processed, analyzed, and presented—in addition to consultation with applicants, and in the case of the Old Georgetown review cases, coordination with the District of Columbia Historic Preservation Office, and management of the review architectural board agendas and meetings.

Current best practices in case review indicates that similar administrative staffs of other agencies in the metropolitan area are able to process *roughly 60 cases* per year per FTE professional staff member. For comparison, here is a sample of case load information from similar review agencies in the metropolitan area:

<u>Review Agency</u>	<u>Cases/ Year</u>	<u>Case Review Staff (FTE)</u>	<u>Cases/ Staff/Year</u>
DC Historic Preservation Review Board, 2010 ¹	112	3	37.3
City of Alexandria, Board of Arch. Review, 2011 ²	377	4	94.3
MNCPPC-Montgomery County HPRB, 2011 ³	150	2.5	60.0
NCPC (includes zoning cases), FY 2011 ⁴	184	7	26.3
U.S. Commission of Fine Arts, FY 2012	704	4.5	156.4

Sources: 1) D.C. Historic Preservation Office Annual Report, 2010 and David Maloney, DC State Historic Preservation Officer; 2) Michelle Oaks, Board of Architectural Review staff, City of Alexandria Office of Planning & Zoning; 3) Scott Whipple, Supervisor, MNCPPC-Montgomery Historic Preservation Office; 4) National Capital Planning Commission Annual Report, 2011. Figures refer to cases reviewed as agenda items or on consent and do not include supervisory time.

The data indicate that the number of cases reviewed by these agencies, except the Commission of Fine Arts, ranged from about 30 to 90 per FTE professional staff per year, for an average of about 60 cases. In contrast, the Commission of Fine Arts staff, however, is reviewing far more: more than 150 cases per FTE staff per year, on average *2.5 times the caseload* of comparable review agencies. The situation is the most dire with the Old Georgetown Board caseload, where the two professional staff members must manage *30 to 50 cases each month*. As a result, we are concerned that the agency staff has no capacity for further increases in caseload, much less any staffing issues that would prevent any single individual from performing his or her assignments without serious impact on the other agency staff responsibilities and workload.

An additional professional FTE position will address the agency's great increase in caseload; we note that even one additional position on the professional design review staff would mean that the Commission of Fine Arts's ratio of cases/FTE/year would still be *twice as high* as the average for similar review agencies.

The objectives of the Commission of Fine Arts staff are:

- To support the Commission which provides expert advice on architecture and art to the President, Congress, and various agencies of the Federal and District governments on proposed projects and existing conditions in the National Capital so as to safeguard and enhance the appearance and symbolic significance of Washington, D.C. This expertise is provided by seven Presidentially appointed, well-qualified judges of the arts who are supported by the small professional staff that oversees its continued operation.
- To assist the Commission and provide a professional level of artistic advice through review and liaison with the District of Columbia and Federal governments; to provide the administrative services that are required to support the Commission and communicate the advice of the Commission; and to keep accurate records of the Commission's actions.
- To provide professional support to the Commission in the administration of its approval authority over the design and location of battle monuments and commemorative works as required by the specific statutes authorizing them.
- To produce research on buildings, historic precincts, and general plans of the city of Washington. To make historical and architectural information generally available to the public, to other government agencies, and to the Commission. To identify buildings and areas of lasting merit so as to avoid destruction or impairment of those resources as plans evolve for the city. The specially trained staff of architects and historians performing this documentation and planning work is also available to the Commission on a case-by-case basis to provide supporting material on proposed projects, sometimes on very short notice.

Program Activities:

- The Commission of Fine Arts, an independent agency, reviews proposals affecting the appearance of Washington, D.C., and advises the President, the Congress, and the agencies of the Federal and District of Columbia governments on architectural designs and other matters of art. It also conducts liaison, research, and publication activities to further support the enhancement and preservation of the city. The Commission's approval on design and location of monuments and memorials is required as specified under the Commemorative Works Act and the American Battle Monuments Act.
- The Commission provides advice on the development of Washington through study, inspection, research, and expert consultation. The Commission maintains continual involvement in ongoing projects such as the International Center, the Federal Triangle, and other special areas of the City, and publishes studies on the historical development of Washington. Some of the material assembled is published so as to be permanently available to government agencies as well as the general public.
- The Commission provides advice on design, planning, and historic preservation to the Federal and District of Columbia governments as well as to committees of Congress, which may have questions on matters specific to Washington or relating to their members' respective home states.
- The Commission, in its advisory and approval capacities, does not originate design projects; it is the recipient of project proposals. As the recipient, our activities are subject to the needs of other agencies, Federal and local, as well as those of private entities. Government construction projects materialize in response to the individual sponsors' needs and their schedules cannot be anticipated by the Commission. The initiation of private construction projects is even less predictable. The Commission must therefore be flexible by necessity. Its effectiveness and efficiency remain constant despite having no control over the number of proposals brought before it nor the relative size and importance of each item submitted. The Commission reviewed 100 percent of all proposals submitted for review within 45 days of receipt.
- The total number of all cases submitted to the Commission for review in FY 2012 was 704, an increase of *3.4 percent from the preceding year*. In FY 2011, the total number of cases was 681, an increase of *nine percent from the preceding year*. By jurisdiction, these increases are:
 - an increase in Government submissions of approximately three percent above the FY 2011 submissions, and more than 31 percent above the number of FY 2009 submissions;
 - an increase in Shipstead-Luce Act submissions of approximately 36 percent above the number of FY 2009 submissions; and
 - an increase in Old Georgetown Act submissions of approximately 13.5 percent above the FY 2011 submissions, and more than 25 percent above the number of FY 2009 submissions.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Program and Financing (in millions of dollars)

Identification code 95-2600-0-1-451		2012	2013	2014
		Enacted	Annualized CR Level	Request
Obligations by program activity:				
10.00	Total obligations	2	2	2
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	2	2	2
23.95	New obligations	-2	-2	-2
New budget authority (gross), detail:				
40.00	Appropriation.....	2	2	2
Change in unpaid obligations:				
73.10	New obligations	2	2	2
73.20	Total outlays (gross)	-2	-2	-2
Outlays (gross), detail:				
86.90	Outlays from new current authority ...	2	2	2
Net budget authority and outlays:				
89.00	Budget authority	2	2	2
90.00	Outlays (net)	2	2	2

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Object Classification (in thousands of dollars)

Identification code 95-2600-0-1-451		2012 Enacted	2013 Annualized CR Level*	2014 Request
Personnel compensation:				
11.1	Full-time permanent.....	1,094	1,094	1,164
11.3	Full-time temporary	105	105	0
11.5	Other personnel compensation.....	50	50	22
11.9	Total personnel compensation	1,249	1,249	1,186
12.0	Personnel benefits: Civilian	307	307	388
12.1	Workers Compensation Payments	55	55	61
21.0	Travel and transportation of persons	57	59	57
22.0	Transportation of things.....	4	4	4
23.1	Rental payments to GSA.....	282	282	295
23.3	Communications, utilities, and miscellaneous charges.....	30	40	58
24.0	Printing and reproduction	4	4	2
25.0	Purchases of goods and services	376	378	326
26.0	Supplies and materials	28	28	26
31.0	Equipment	4	4	3
99.9	Total obligations	2,396	2,410	2,406

* Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Personnel Summary

Identification code 95-2600-0-1-451	2012 Enacted	2013 Annualized CR Level	2014 Request
Total compensable work-years:			
Full-time equivalent employment	10	10	11
Temporary full-time equivalent employment	1	1	0
Full-time equivalent overtime and holiday hours	0	0	0
TOTAL:	11	11	11

Appropriation Language Sheet

COMMISSION OF FINE ARTS
National Capital Arts and Cultural Affairs

No funding is requested for this grant program currently administered by the Commission of Fine Arts.

Justification of Program and Performance

Activity: Grants

	<i>FY 2012</i>	<i>FY 2013</i>	Uncontrollable	Program	FY 2014	Change From
	<i>Enacted</i>	<i>Annualized CR Level*</i>	Changes	Changes	Request	FY 2012
(\$000)	<i>Enacted</i>					<i>Enacted</i>
	1,997	2,009	0	-1,997	0	-1,977
FTE	-	-	-	-	-	-

* Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

Authorization: 99 Stat. 1261; 20 U.S.C. 956a

Objectives: The FY 1988 Department of the Interior and Related Agencies Appropriations Act transferred administrative responsibility for the National Capital Arts and Cultural Affairs program from the National Endowment for the Humanities to the Commission of Fine Arts. This program provides formula based grants for general operating support to District of Columbia non-profit arts and other cultural organizations. Eligible organizations must have an annual income, exclusive of Federal or pass-through Federal funds, in excess of \$1 million for each of the three years prior to their application for the grant. Grant awards are based on a formula in which 70 percent of the total funds appropriated for the fiscal year are distributed equally among all eligible organizations submitting applications, and the remaining 30 percent are distributed based on the amount of the organization's total annual income, exclusive of Federal funds, in proportion to the combined total of the annual income, exclusive of Federal funds, of all eligible organizations submitting applications. No organization will receive a grant larger than \$650,000.

No funding is requested for the National Capital Arts and Cultural Affairs grant program that is administered by the Commission of Fine Arts.

Activities: In FY 2012, this program helped support 23 nationally renowned organizations in the national capital, providing funding for operating expenses, jobs, and exhibits and performances.

In FY 2012, \$1,996,800 in grants were awarded to the following 23 organizations.

FY 2012 NCACA Grant Recipients	Grant	Grant as % of Operating Income*
Kennedy Center for the Performing Arts	266,616.23	0.16%
Arena Stage	163,722.82	0.25%
Washington National Opera	99,202.40	0.40%
Corcoran Gallery of Art	94,545.53	0.44%
Shakespeare Theatre	90,572.84	0.47%
National Symphony Orchestra	88,097.42	0.48%
Phillips Collection	86,353.13	0.53%
Folger Shakespeare Library	82,463.89	0.55%
Ford's Theatre	77,006.74	0.72%
National Building Museum	76,526.79	0.75%
Washington Ballet	73,725.75	0.89%
National Museum of Women in the Arts	73,191.99	0.90%
Washington Performing Arts Society	72,811.15	0.94%
Studio Theatre	68,916.75	1.31%
Woolly Mammoth Theatre Company	66,774.19	1.69%
Hillwood Estate, Museum & Gardens	66,149.59	1.77%
Choral Arts Society	65,817.30	1.85%
Thelonious Monk Institute of Jazz	65,520.06	2.03%
Textile Museum	65,414.78	1.97%
Washington Chorus (The)	63,929.10	3.03%
Cathedral Choral Society	63,760.85	3.23%
Gala Hispanic Theatre	62,974.83	4.10%
Dance Place (DC Wheel Productions)	62,705.87	4.72%
Total Grants	\$1,996,800.00	

* Operating income exclusive of other Federal or pass-through Federal funds.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Program and Financing (in millions of dollars)

Identification code 95-2602-0-1-503		2012	2013	2014
		Enacted	Annualized CR Level	Request
Obligations by program activity:				
10.00	Total obligations	2	2	0
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	2	2	0
23.95	New obligations	-2	-2	-0
New budget authority (gross), detail:				
40.00	Appropriation	2	2	0
Change in unpaid obligations:				
73.10	New obligations	2	2	0
73.20	Total outlays (gross)	-2	-2	-0
Outlays (gross), detail:				
86.90	Outlays from new current authority...	2	2	0
Net budget authority and outlays:				
89.00	Budget authority	2	2	0
90.00	Outlays (net)	2	2	0